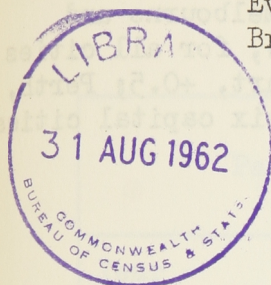


To be treated as strictly CONFIDENTIAL and NOT to be published or broadcast before -

Morning Newspapers - Saturday, 19th August, 1961

Evening Newspapers - Saturday, 19th August, 1961

Broadcasting Stations - 6 a.m., Saturday, 19th August, 1961



## RETAIL PRICES - JUNE QUARTER, 1961

### CONSUMER PRICE INDEX

For current statistical purposes the Consumer Price Index replaces both the "C" Series Retail Price Index first compiled in 1921 and the Interim Retail Price Index constructed as a transitional index in 1954. Publication of the Interim Index ceased after March quarter, 1960, while the "C" Series Index was last published for December quarter, 1960.

The Consumer Price Index was first published in August, 1960, though it has been calculated back to September quarter, 1948. It has been compiled only for the six State capital cities. Consequently, this bulletin deals mainly with variations in retail prices in Brisbane.

The Consumer Price Index measures quarterly for each capital city separately the variations in prices of commodities and services as affecting a high proportion of the expenditure of wage-earner households. Commodities and services included in the index are food, clothing, drapery, home ownership, rent of privately owned and government owned houses, fuel, light, household appliances and supplies, fares, motoring, tobacco, cigarettes, beer, cinema, radio and television licenses, newspapers, postal and telephone services, hairdressing, dry cleaning, and various other items. The index has been constructed with the year 1952-53 as base for each capital city individually and does not provide a comparison of the retail price level in any other city.

The various commodities and services have been combined into groups, and group indexes are available for Food, Clothing and Drapery, Housing, Household Supplies and Equipment, and Miscellaneous.

A full description of the Consumer Price Index is contained in a bulletin (S.B.891) issued in January, 1961, by the Commonwealth Statistician.

The Consumer Price Index in Brisbane showed a slight downward movement in June quarter, 1961, when the index fell to 126.1 from the previous quarter's figure of 126.7 - a decrease of 0.5 per cent. This was the first decrease recorded in the Brisbane index in  $4\frac{1}{2}$  years. However, over the year ended June, 1961, there was an upward movement of 3.1 per cent. in the index for Brisbane.

The lower index number in June quarter was due to a substantial decrease of 2.6 per cent. in the food group, where the index number fell from 134.0 in March quarter to 130.5 in June quarter. A continuation of the downward trend in meat prices from the record high levels at the commencement of the year was mainly responsible for the fall in the food group index. Potato prices, although still at a high level, were considerably lower than in the first quarter of the year, while egg prices were slightly lower than in March quarter. On the other hand, the price of onions and cereal products (flour and biscuits) showed an upward movement.

Increases in the price of winter seasonal items were mainly responsible for the Clothing and Drapery Group index rise of 0.7 per cent., with the index rising from 115.3 in March quarter to 116.1 in June quarter.

The Housing Group index increased from 138.4 to 139.0, a movement of 0.4 per cent.

An increase of 0.7 per cent. was recorded in the Household Supplies and Equipment Group with the index number rising to 112.3 from 111.5 in the first quarter of the year.

A substantial increase in motor vehicle personal injury insurance premiums (third party risk) was the principal cause of the Miscellaneous Group index rising from 129.7 in March quarter to 130.3 in June quarter, an increase of 0.5 per cent.



All capital cities, except Brisbane, recorded an increase in retail prices during June quarter, 1961, the increase being greatest in Melbourne and smallest in Perth. Percentage variations from March quarter, 1961, for all cities were as follows:- Melbourne, +0.8; Sydney and Adelaide, +0.7; Hobart, +0.5; Perth, +0.4; and Brisbane, -0.5. The weighted average increase for the six capital cities was 0.6 per cent.

### COMMONWEALTH AND STATE BASIC WAGE RATES

Commonwealth and State basic wage rates are reviewed by the appropriate Industrial Authorities from time to time - in some cases at fairly regular intervals and in others as a result of special applications for variation of the wage rate. The last variation made by the Commonwealth Conciliation and Arbitration Commission was an addition of 12s. to the male basic wage with corresponding adjustments to the female and juvenile rates and operated from 7th July, 1961.

The Queensland Industrial Conciliation and Arbitration Act of 1961 abolished automatic quarterly reviews of the basic wage, but the Industrial Commission was empowered to vary the wage after a general hearing as a result of applications by interested parties. Following applications received and a general hearing, the Commission delivered judgment on 24th May, 1961, increasing the male rate by 4s. and the female rate by 3s., operative from 29th May, 1961. No application for adjustment to the basic wage has been made following the publication of the Consumer Price Index for June quarter, 1961. However, an application by employers' organisations for a review of the basic wage on an annual basis only and an application by employees' organisations for a general increase in the wage have been lodged with the Industrial Commission, and the hearing of these applications is set down to commence in September, 1961.

Current Commonwealth and State basic wage rates are shown in the following table.

Basic Wage Rates - Australian Capital Cities

Capital City	Commonwealth Basic Wage			State Basic Wage		
	Males	Females	Date of Operation <sup>a</sup>	Males	Females	Date of Operation
	£ s. d.	£ s. d.		£ s. d.	£ s. d.	
Brisbane ..	13 10 0	10 2 6	7.7.61	14 4 0	10 13 0	29.5.61
Sydney ..	14 15 0	11 1 0	7.7.61	15 2 0	11 6 6	1.8.61a
Melbourne ..	14 7 0	10 15 0	7.7.61	14 7 0	10 15 0	July, 61b
Adelaide ..	14 3 0	10 12 0	7.7.61	14 3 0	10 12 0	10.7.61a
Perth ..	14 8 0	10 16 0	7.7.61	15 0 6	11 5 5	31.7.61
Hobart ..	14 14 0	11 0 6	7.7.61	14 14 0	11 0 6	July, 61b

a From the first pay period commencing on or after the date shown.

b Most Wages Boards adopted the Commonwealth rate during July, 1961.

S. E. SOLOMON  
DEPUTY COMMONWEALTH STATISTICIAN  
AND GOVERNMENT STATISTICIAN

42 George Street,  
BRISBANE

17th August, 1961

Consumer Price Index - Total and Group Indexes - Brisbane  
(Year 1952-53 = 100)

Period	Food	Clothing and Drapery	Housing	Household Supplies and Equipment	Miscell- aneous	All Groups
Year -						
1952-53 .. ..	100.0	100.0	100.0	100.0	100.0	100.0
1953-54 .. ..	103.4	100.9	101.6	101.7	101.7	102.0
1954-55 .. ..	104.1	101.3	104.7	102.5	102.0	102.9
1955-56 .. ..	107.7	102.2	110.5	102.6	108.0	106.3
1956-57 .. ..	111.5	104.7	118.4	106.5	118.9	112.0
1957-58 .. ..	113.0	107.8	123.9	108.3	120.5	114.4
1958-59 .. ..	119.8	109.4	128.4	109.0	123.6	118.2
1959-60 .. ..	124.2	111.9	132.6	110.6	125.6	121.2
1960-61 .. ..	130.4	115.1	137.6	111.3	129.5	125.4
Quarter -						
1960 - June ..	125.3	113.9	134.0	110.9	126.2	122.3
September ..	126.9	114.1	136.1	110.6	128.3	123.6
December ..	130.0	115.0	137.0	110.7	129.5	125.1
1961 - March ..	134.0	115.3	138.4	111.5	129.7	126.7
June ..	130.5	116.1	139.0	112.3	130.3	126.1
Percentage Increase or Decrease (-) on Previous Quarter						
Quarter -						
1960 - June ..	0.6	1.5	1.0	-0.1	0.2	0.6
September ..	1.3	0.2	1.6	-0.3	1.7	1.1
December ..	2.4	0.8	0.7	0.1	0.9	1.2
1961 - March ..	3.1	0.3	1.0	0.7	0.2	1.3
June ..	-2.6	0.7	0.4	0.7	0.5	-0.5

Consumer Price Index - Capital Cities  
(Year 1952-53 = 100 for Each City and for Six Capitals)

Period	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Weighted Average, Six Capitals
Year -							
1952-53 ..	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1953-54 ..	101.6	102.0	102.0	102.3	103.0	105.0	102.0
1954-55 ..	102.3	102.0	102.9	103.5	105.2	104.9	102.6
1955-56 ..	105.7	108.1	106.3	106.9	107.9	110.2	106.9
1956-57 ..	112.9	114.0	112.0	111.1	112.9	116.9	113.1
1957-58 ..	114.5	114.4	114.4	111.9	113.6	117.0	114.2
1958-59 ..	115.3	116.6	118.2	114.5	114.7	118.7	116.0
1959-60 ..	117.8	120.0	121.2	118.0	116.9	120.8	118.9
1960-61 ..	122.1	125.9	125.4	122.9	121.2	127.5	123.8
Quarter -							
1960 - June ..	119.6	123.0	122.3	120.6	119.0	122.6	121.1
September	120.8	124.9	123.6	121.5	119.8	125.8	122.5
December	121.6	125.5	125.1	122.4	120.8	127.1	123.3
1961 - March	122.5	126.1	126.7	123.4	121.9	128.3	124.2
June ..	123.4	127.1	126.1	124.3	122.4	128.9	125.0